



Bryce Yokomizo
Director

January 29, 2003

TO: Each Supervisor

FROM: *Bryce Yokomizo* (sk)
Bryce Yokomizo, Director

SUBJECT: BOARD OF SUPERVISORS MOTION: L.A. COUNTY FOOD STAMP
ERROR RATE PROGRESS REPORT

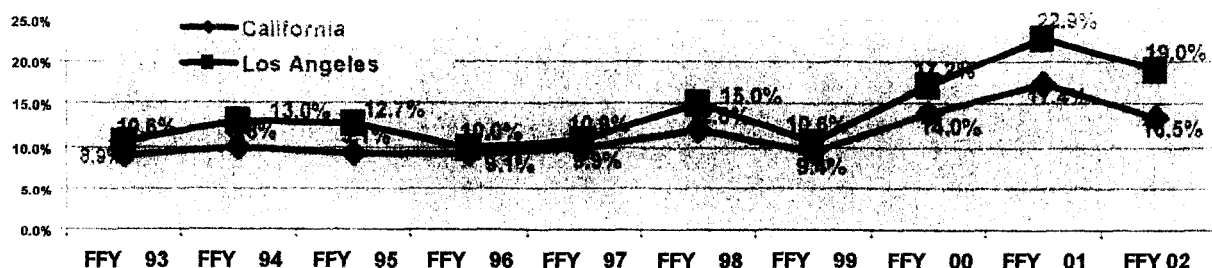
This is to provide your Board with the departmental progress report on the Los Angeles County Food Stamp error rate. This report includes the results for Federal Fiscal Year (FFY) 2002. Representatives from the Office of the Chief Administrative Officer (CAO) have reviewed and concur with the information in this report. The Auditor-Controller (A-C) has reviewed and concurs with the error rates reflected in the "Error Rate" section of this report.

ERROR RATE

Based on findings from the California Department of Social Services (CDSS) Quality Control (QC) reviews, the Department's Food Stamp error rate for September 2002, the final month of FFY 2002, is 11.3%. This is less than the Statewide Food Stamp error rate for September 2002 of 12.6%. We believe that we are on track for a continuing reduction in our Food Stamp error rate.

Our internal Quality Assurance (QA) results, in which we conduct 3,500 reviews per month, show a continuing decline in agency error rate that is consistent with the 11.3% error rate that we see in September 2002. The findings of the internal audits done in real time provide the strongest evidence to date that our error rate is declining.

The graph below displays a comparison of the State and Los Angeles County Food Stamp error rates for the last ten years.



Source: California Department of Social Services

As indicated on the chart, the cumulative error rate for FFY 2002 is 19.0% which represents a decrease of 3.9 percentage points compared to the Department's 22.9% cumulative performance for FFY 2001.

PERIOD COVERED	L.A. COUNTY	STATE	STATE W/OUT L.A.
October 2000 - September 2001	22.9%	17.4%	12.1%
October 2001 - September 2002	19.0%	14.4%	11.3%

Source: CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

INITIATIVES UNDERWAY

My Department continues to aggressively pursue corrective action measures in support of the DPSS Food Stamp Business Process Improvement Strategic Plan. Corrective actions in progress include the following:

- Development of a LEADER Operational Handbook. The Handbook will provide an on-line user manual to assist workers in completing LEADER screens correctly.
- Release of detailed instructions on how to complete more thorough Food Stamp recertifications on LEADER occurred on December 12, 2002. Training on the material began in January 2003 and will improve the investigative and interviewing skills of staff with public contact. As a result, this training should positively impact on participant errors, which accounts for about 40% of all errors.
- Extension of specialized LEADER Food Stamp Training Clinics for eligibility staff to target high error areas. The training is mandatory for all Food Stamp LEADER users. A total of 2,219 employees received the training during the month of December 2002. The training should be completed in January 2003.
- Completion of a CW 7 Video to improve communication with the public on reporting responsibilities. The Video was completed in December and is currently being cleared by the Department prior to release to all Districts. It provides participants with clear, step-by-step instructions for more accurate monthly reporting.
- Acquisition of a consultant to assist district offices with high Food Stamp error rates. The Department is working with the State to obtain a consultant who will identify district specific problem areas and assist in implementing needed corrective action at the individual district office.

- Development of instruction guides on computer matches known as Systematic Alien Verification for Entitlement (SAVE) and Income and Eligibility Verification System (IEVS). The SAVE and IEVS guides provide workers with instructions on how to process alien and income information received from the computer matches.
- Distribution of posters providing information about the consequences of fraud. One poster is designed to be displayed in employee work areas. A second poster is designed to be displayed in public areas of each district office. The target date for posting is February 2003.

My Department will also be visiting neighboring counties to identify actions underway to prevent participant errors.

SANCTION APPEAL FOR CALIFORNIA AND LOS ANGELES COUNTY

We have been informed that the State Administration will not at this time negotiate a settlement of the Food Stamp sanction liability, but will instead pursue an appeal. The deadline for submitting an intent to appeal is February 9, 2003. On January 21, 2003, my Department met with attorneys representing CDSS in the sanction appeal process to further refine the appeal approach. Attorneys from the County Counsel were also present in that meeting. In conjunction with the Chief Administrative Officer, I will keep you advised as more information becomes available.

I will continue to provide your Board with regular progress reports until the Department's Food Stamp error rate is satisfactory.

BY:ps

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Auditor-Controller